



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal No. 16-61)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Pam Young, DSCA/SA&E-RAN, (703) 697-9107.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 16-61 with attached Policy Justification.

Dated: December 12, 2016.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



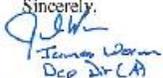
DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

DEC 07 2016

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 16-61, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to the Government of Qatar for defense articles and services estimated to cost \$81 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

James W. Rixey
Dep Dir CA
for J. W. Rixey
Vice Admiral, USN
Director

- Enclosures:
- 1. Transmittal
 - 2. Policy Justification
 - 3. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 16-61

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Qatar

(ii) Total Estimated Value:

Major Defense Equipment (MDE)*	\$51 million
Other	<u>\$30 million</u>
TOTAL	\$81 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):
Four (4) F117-PW-100 C-17 Engines (spares)

Non-MDE includes:
Quick Engine Change (QEC) Kits, Engine Transport Trailers, Engine Platforms, Engine Trailers, and other various support.

(iv) Military Department: Air Force (LAC)

(v) Prior Related Cases, if any: QA-D-QAB

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None

(viii) Date Report Delivered to Congress: December 7, 2016

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Qatar – Spare C-17 Engines and Equipment

The Government of Qatar has requested a possible sale of the following in support of its eight (8) C-17 Globemaster III aircraft procured under a Direct Commercial Sale (DCS): four (4) spare F117-PW-100 engines, Quick Engine Change (QEC) Kits, Engine Transport Trailers, Engine Platforms, Engine Trailers, and other various support. The estimated total program cost is \$81 million.

The proposed sale would contribute to the foreign policy and national security of the U.S. by helping to improve the security of an important regional ally. Qatar is a vital partner for political stability and economic progress in the Middle East. The C-17 provides a heavy airlift capability and complements the normal, day-to-day operations of Qatar's C-130J fleet. Qatar will have no difficulty absorbing this equipment into its armed forces.

The proposed sale would enhance Qatar's ability to operate and maintain its C-17s, supporting its capability to provide humanitarian aid in the Middle East and Africa region and support its troops in coalition operations.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be the Boeing Corporation of Chicago, Illinois. The U.S. Government is not aware of any known offsets associated with this sale. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will not alter current assignment of additional U.S. Government or contractor representatives to Qatar. The number of U.S. Government and contractor representatives required in Qatar to support the program will be determined in joint negotiations as the program proceeds through the development, production and equipment installation phases.

There is no adverse impact on U.S. defense readiness as a result of this proposed sale. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Qatar.